

5 players behind the Big Money attacks in NC Supreme Court elections



Posted by: Chris Kromm
Friday May 2nd, 2014

If you wanted to visit Justice for All NC, a conservative super PAC that has ignited controversy over [a slew of controversial attack ads](#) it's unleashed in one of North Carolina's key state Supreme Court elections, you wouldn't find much.

The address listed in the group's tax records is a UPS mailbox in a Raleigh strip mall. It has no website, and is rarely covered in the media. There's no record of Justice for All NC incorporating as a legal entity; it seems to exist as little more than a bank account.



A UPS mailbox in Raleigh, home of super PAC Justice for All NC

But since launching in 2012, Justice for All NC has quietly emerged as a big player in elections for North Carolina judges. A so-called 527 political group, it has joined a growing network of organizations that, often behind the scenes, translate national money from big donors into influence in local elections, including races for state court seats.

Big money groups like Justice for All NC could reshape how justice is carried out in North Carolina. This year, seven top state judicial seats are up for election, including four on the seven-member NC Supreme Court, which is now ruled by a narrow 4-3 conservative majority.

With North Carolina's May 6 primary near, Justice for All NC began flexing its political muscle last week, when it started airing attack ads saying Supreme Court Associate Justice Robin Hudson, a registered Democrat, "sides with child predators," citing a 2010 dissent Hudson had written.

The NC Bar Association [condemned](#) the ad; a leading North Carolina political reporter called it "[perhaps the most despicable political advertisement ever aired in the state.](#)" But along with ads run by one of the political arms of the NC Chamber, the conservative business group, the Justice for All NC ad is likely to boost the chances of Hudson's two Republican opponents, Superior Court Judge Eric Levinson and Raleigh lawyer Jeanette Doran, perhaps knocking incumbent justice Hudson out of the race altogether.

Due to a loophole in North Carolina campaign finance law, Justice for All NC won't have to file a detailed report about how much money it's raised and spent for the recent attack ads until July. However, a Facing South analysis of TV advertising records as of May 2 shows that Justice for All NC has been spent more than \$586,000 buying ad time for the Hudson attacks on more than a dozen TV stations across the state -- part of more than \$1 million that's been spent on just the Hudson race by candidates and outside groups.

What else do we know about the Big Money outfits trying to influence North Carolina's court elections? As part of the Institute's [FollowNCMoney.org](#) investigative project tracking outside spending in NC, here are five key players so far:

JEFF HYDE — Co-Director of Justice for All NC and Greensboro Tea Party activist

A strident Tea Party leader, Florida native Jeff Hyde is based in Greensboro, NC, where he works at his wife's photography business, [Aesthetic Images](#). In federal tax filings, Hyde is listed as one of two co-directors of Justice for All NC.

A divisive figure in Greensboro politics, Hyde may seem an unlikely choice to lead a major political money operation like Justice for All NC. He's a founder and leader of [Conservatives for Guilford County](#), a brash Tea Party group that has been at the center of several local political controversies.

Hyde lost a [2010 race for a state Senate seat](#), and also came up short in an acrimonious 2011 campaign to chair the Guilford County Republican Party. Given Justice for All NC's recent ads about "child predators," it's perhaps ironic that Hyde's bid for local GOP chair was derailed in part over [controversy](#) stemming from reports that Hyde's close political associate Barrett Riddleberger had been convicted of taking indecent liberties with a minor in 1995. Fellow conservatives called Hyde's handling of the issue a "[huge PR mistake](#)," which along with Hyde's polarizing attacks on other GOP leaders helped cement his defeat.

In his freewheeling [Twitter feed](#) that has [drawn the ire of fellow Republicans](#), Hyde has championed Tea Party candidate for U.S. Senate Greg Brannon, who has [equated food stamps with slavery and taxes with the Holocaust](#). Hyde has also used



Heading into North Carolina's May 6 primary elections, conservative super PAC Justice for All NC has been running attack ads statewide accusing NC Supreme Court Justice Robin Hudson of not being "tough on child molesters."



JEFF HYDE
Co-Director, Justice for All NC

Twitter to defend Justice for All NC's attack ad on Justice Hudson. When a user named @trotmanlaw sent a critical tweet calling the ad "ridiculous," [Hyde glibly responded](#), "facts are facts."

RANDALL RAMSEY — Co-Director of Justice for All NC and yacht builder

The other co-director of Justice for All NC is Randall Ramsey, owner of [Jarrett Bay Boatworks](#), a yacht-building company in Beaufort, NC.

Ramsey is a registered Republican, and in 2012 [ran as a GOP candidate](#) for North Carolina's 2nd state Senate district. But Ramsey lost in the primary amidst questions about his party loyalty: As [the conservative Carolina Review reported](#), heading into the 2012 race Ramsey had donated more than \$33,500 to Democratic candidates and committees in North Carolina, compared to just \$3,750 for Republicans.

Carolina Review also found that Ramsey was involved in [providing campaign flights for Democratic Gov. Beverly Perdue](#), including some with incomplete records about their payment. The information came to light when Perdue was investigated for using private aircraft during her 2008 campaign without reimbursing the owners, a violation of campaign finance law.

After Republicans gained control of the legislature, Ramsey said he had grown "disappointed" with Democrats. Subsequent campaign finance reports reveal Ramsey making contributions of \$4,000 to the campaign of Gov. Pat McCrory (R) and \$1,000 to North Carolina House Speaker Thom Tillis.

REPUBLICAN STATE LEADERSHIP COMMITTEE — Washington, DC-based super PAC

Headquartered in Washington, DC, the [RSLC](#) hails itself as "the only national organization whose mission is to elect down-ballot, state-level Republican officeholders." Instead of directly airing TV ads or sending mailers, the RSLC funnels money into other state political groups, like Justice for All NC.

The RSLC points to North Carolina as one of its top success stories. In 2010, as part of the group's [REDMAP project](#) to win over state legislatures in time for redistricting after the 2010 Census, the RSLC plowed \$1.2 million into groups like Real Jobs NC, another 527 group backed by GOP donor Art Pope that spent heavily to help Republicans win control of the General Assembly.

In 2012, the [RSLC gave \\$1.49 million](#) to North Carolina political groups, including \$1,165,000 to Justice for All NC. That year, Justice for All NC in turn gave \$1.48 million to another super PAC, the [NC Judicial Coalition](#), which aired the famous "[banjo ads](#)" to help elect conservative North Carolina Supreme Court Justice Paul Newby. Justice for All NC also [spent more than \\$175,000 directly](#) on ads benefiting Newby.

This year, state election board records show [the RSLC donated \\$650,000 to Justice for All NC](#) on April 23, around the same time the attacks ads against Justice Hudson began airing.

Several big North Carolina companies -- including businesses that have had cases before the state Supreme Court and appeals courts -- are among RSLC's top donors. The following chart by Alex Kotch of Facing South/Institute for Southern Studies documents the leading North Carolina donors backing the RSLC:



RANDALL RAMSEY
Co-Director, Justice for All NC



REPUBLICAN STATE LEADERSHIP COMMITTEE
Washington, D.C. Super PAC

North Carolina Donations to the Republican State Leadership Committee

Several NC companies and individuals are among the top donors to the RSLC, a super PAC that aims to help elect Republicans to state-level office.

Rank	Donor	2011-14	2013-14	2011-12
1	Reynolds American	\$1,720,580.00	\$739,107.00	\$981,473.00
2	Lorillard Tobacco Company	\$329,877.00	\$151,475.00	\$178,402.00
3	Marsha Prestage	\$326,708.00	\$326,708.00	\$0.00
4	Variety Stores, Inc.	\$250,000.00	\$0.00	\$250,000.00
5	Time Warner Cable	\$240,039.00	\$125,000.00	\$115,039.00
6	Duke Energy/Duke Power Company	\$225,000.00	\$50,000.00	\$175,000.00
7	SAS Institute, Inc.	\$110,979.00	\$50,979.00	\$60,000.00
8	Bank of America, N.A.	\$94,100.00	\$74,100.00	\$20,000.00
9	Prudential Financial	\$75,095.00	\$25,000.00	\$50,095.00
10	Henry Faison	\$50,000.00	\$0.00	\$50,000.00
10	Robert Luddy	\$50,000.00	\$0.00	\$50,000.00
10	Phil Drake	\$50,000.00	\$0.00	\$50,000.00
13	Lowe's Companies, Inc.	\$31,723.00	\$10,695.00	\$21,028.00
14	ACN, Inc.	\$30,400.00	\$10,400.00	\$20,000.00
15	Bluecross Blueshield of North Carolina	\$30,000.00	\$25,000.00	\$5,000.00
Totals		\$3,614,501.00	\$1,588,464.00	\$2,026,037.00

SOURCE: Internal Revenue Service
 CHART: Institute for Southern Studies, May 2014

NC CHAMBER IE — Outside spending arm of conservative business association

NC Chamber IE is the independent spending arm of the NC Chamber, which, like its national counterpart the [U.S. Chamber of Commerce](#), has steered to the right and become a key backer of Republicans and conservative court candidates.

In 2012, [NC Chamber IE spent \\$79,504](#) benefiting conservative North Carolina Supreme Court candidate Paul Newby. More significantly, it also funneled \$263,700 into the NC Judicial Coalition, the super PAC also backed by Justice for All NC, which spent nearly \$2 million to help get Newby elected.

This year, [NC Chamber IE has spent \\$225,000](#) on communications to benefit conservative candidates for the NC Supreme Court: \$80,000 on behalf of Eric Levinson and \$145,000



benefiting Jeanette Doran.

Outside Spending Arm of
Republican-Leaning NC Chamber

According to state campaign finance reports compiled by Facing South/Institute for Southern Studies, in 2013-2014 the NC Chamber IE group has received \$425,000 from nine corporate entities: Blue Cross Blue Shield of North Carolina, CaptiveAire Systems, Charlotte Pipe and Foundry Co., Glen Raven, Koch Industries Public Sector LLC, Medical Mutual Insurance Company of North Carolina, Piedmont Natural Gas PAC, Reynolds American and Waste Industries.

The NC Chamber is open about its interest in pushing North Carolina courts to be more hospitable to its business membership. In its [2013 annual report](#) [pdf], the NC Chamber lists three cases in which it submitted friend-of-the-court briefs on issues that have "lasting impact on the broad-based business community," including unfair trade practices, rights to inventions and workers' compensation.

DAVID POWERS — Political operative for Reynolds American and NC Chamber IE

Bridging various groups in the Republican money network is [David Powers](#), who since 1995 has worked as a political operative for companies associated with tobacco giant Reynolds American.

Powers is currently vice president of state government relations at Reynolds, which has been one of the largest donors to Republican groups active in North Carolina. In 2012, Reynolds American gave \$981,473 to the Republican State Leadership Committee, which funneled money into races for North Carolina governor, General Assembly and Supreme Court. The company also gave \$50,000 to NC Chamber IE, and another \$100,000 directly to the NC Judicial Coalition.



DAVID POWERS
Political Operative, Reynolds
American and NC Chamber IE

In one of Justice for All NC's few disclosures for the 2014 cycle, state election board filings show [Reynolds made a \\$30,000 contribution](#) in October 2013.

Powers also recently took over as chairman of NC Chamber IE. The group hasn't disclosed this yet in its state and federal election filings, but a [copy of TV ad purchase contracts obtained by Facing South](#) [pdf] lists Powers as chairman of the group, which has spent \$225,000 benefiting conservative judicial candidates so far in 2014.

Powers holds other key positions in the conservative money network: As of 2012, Powers was on the board of Real Jobs NC. As recently as 2013, [Powers was also a treasurer](#) of the corporate board of the American Legislative Exchange Council (ALEC), the industry-funded national policy group, although he's currently not listed as a member. In 2011, North Carolina Republican lawmakers [appointed Powers to the UNC Board of Governors](#); activists have since [called for Powers to be removed](#) due to his involvement with controversial groups like ALEC.

For more information about outside spending in North Carolina politics, visit the Institute's [FollowNCMoney.org](#), which tracks all donors and spending tied to super PACs, 501(c)(4) "dark money" nonprofits, and other independent committees in North Carolina state races. Institute Research Associate Alex Kotch contributed to this story.

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